

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

CV 16 - 5264

UNITED STATES OF AMERICA,

Plaintiff,

- v. -

BDK MAILING GMBH, MAILING
FORCE PTE. LTD., ONLY THREE PTE.
LTD., CHANTAL SEGUY, MARION
ELCHLEPP, AURORA JOUFFROY-
BRANDTNER, MACROMARK, INC.,
MARY ELLEN MEYER, MAIL ORDER
SOLUTIONS INDIA PVT. LTD., DHARTI
B. DESAI and MEHUL A. DESAI,

Defendants.

Civil Action No. 16-

GARAUFIS, J.

REYES, M.J.

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DECLARATION OF TERRENCE C. SULLIVAN

I, Terrence C. Sullivan, have personal knowledge of the facts set forth below, and if called as a witness I would testify as follows.¹

I. I am a Postal Inspector with the United States Postal Inspection Service (“USPIS”) and have been so employed for over 23 years. I am currently assigned to the USPIS Department of Justice Mail Fraud Team in Washington, D.C. I have conducted numerous criminal investigations involving violations of 18 U.S.C. § 1301 (Importing or Transporting Lottery Tickets), 18 U.S.C. § 1302 (Mailing Lottery Tickets or Related Matter), 18 U.S.C. § 1341 (Mail Fraud), 18 U.S.C. § 1343 (Wire Fraud), 18 U.S.C. §§ 1956 and 1957 (Money Laundering), 39 U.S.C. § 3005 (False Representations and Lotteries), and related statutes. I also

¹ A Table of Contents for this declaration is attached hereto as Appendix A. A Table of Exhibits to this declaration is attached hereto as Appendix B.

have successfully completed various training programs provided by the USPIS and the Federal Bureau of Investigation, including Seizures, Money Laundering, and Asset Forfeiture.

2. The facts set forth in this declaration are based on my personal knowledge, knowledge obtained during my participation in this investigation, information from other individuals including other law enforcement officers, complainants, witness interviews, and my review of documents, public records, USPIS records, and other sources. Because this affidavit is submitted for the limited purpose of establishing probable cause in support of the application for a temporary restraining order, it does not set forth each and every fact that I learned during the course of this investigation.

OVERVIEW OF MASS-MAILING FRAUDS

3. Each year, hundreds of thousands of potential victims throughout the United States receive millions of fraudulent multi-piece solicitations. These “solicitation packets” profess to come from financial entities, learned scholars, and world-renowned psychics. The solicitation packets frequently include the name and likeness of a purported benefactor and are written to give the misimpression that they are personalized communiqués, informing recipients that they will receive large sums of money, guaranteed money-making methods, and/or powerful talismans in return for payment of a relatively small fee.

4. None of the supposed benefactors identified by the solicitation packets exist. Instead, the solicitation packets are frequently created by syndicates of entities and individuals, including direct mailers, list brokers, printer/distributors, mailing houses, “caging” services, and payment processors, who conspire to defraud vulnerable populations. Each of these entities plays an integral role in mail-fraud schemes:

- *Direct Mailers* design the solicitation packets and orchestrate the logistics of the scheme with the other participants.

- *List Brokers* help the direct mailers rent “lead” lists containing the demographic information of potential victims most likely to send payments in response to fraudulent solicitations.
- *Printer/Distributors* use lead lists to personalize and print thousands of copies of the solicitation packets. Once printed, the printer/distributors “lettershop” the solicitation packets (*i.e.*, fold, assemble, insert, and seal the various printed elements of the solicitations into their mailing envelopes), and transport them in bulk to U.S.- or foreign-based mailing houses.
- *Mailing Houses* pre-sort the shipments of solicitation packets by address and then send them to victims through the U.S. mail or foreign post (destined for the United States) using a bulk mailing permit.
- *Caging Services* rent P.O. boxes to receive victim responses to the solicitation packets. The services open victim responses, review them for victim and payment information (typically disregarding any other victim response), record that information into a database, and transmit victim payments to a payment processor.
- *Payment Processors* collect and process the payments received from caging services and distribute the proceeds to the participants of the mail fraud scheme.

5. The purported winnings described by the solicitation packets are also fictitious.

Although U.S. respondents send in the requested fees by cash, money order, check, or credit card, they never receive the promised funds, winning methods, or supernatural items in return.

Hundreds of thousands of victims, especially the elderly and vulnerable, suffer devastating financial losses from such fraudulent schemes, amounting to hundreds of millions of dollars each year.

6. I am aware that courts have long regarded factually similar schemes as mail fraud. *See, e.g., United States v. Getto*, 729 F.3d 221 (2d Cir. 2013); *United States v. Sommer*, 815 F.2d 15 (2d Cir. 1987); *United States v. Weingold*, 844 F. Supp. 1560 (D.N.J. 1994); *United States v. White*, 150 F. 379 (D. Md. 1906). I also am aware that a fraudster is not able to escape liability for mail fraud by targeting vulnerable or gullible victims. *See United States v. Thomas*, 377 F.3d 232, 243 (2d Cir. 2004).

THE SUBJECT ENTITIES

7. The investigation involves multiple mail-fraud schemes orchestrated by various foreign and domestic entities and individuals, including a group of affiliated foreign direct mailers (collectively “BDK”), a domestic list broker (“Macromark”), and a foreign printer/distributor (“MOSI”). These entities and individuals are as follows:

A. BDK – The Direct Mailer

8. BDK Mailing GmbH (“BDK Mailing”) is a direct mailer. Public records show that BDK is a Swiss business entity founded in 1997 by Bernhard Elchlepp, among others. BDK Mailing’s principal place of business is Ebnifeld 13, 9523 Zuberwangen, Switzerland.

9. Mailing Force Pte. Ltd. (“Mailing Force”), an affiliate of BDK Mailing, is also a direct mailer. Public records show that Mailing Force is a Singaporean business entity founded under the ownership of BDK Mailing’s French affiliate, Punch Concept, in 2013. Mailing Force’s principal place of business is 33 Ubi Ave. 3 #08-04, Singapore 408868 (the “Vertex Building”).

10. Only Three Pte. Ltd. (“Only Three”), an affiliate of BDK Mailing, is a direct mailer. Public records show that Only Three is a Singaporean business entity founded under the ownership of BDK Mailing’s French affiliate, Punch Concept, in 2013. Only Three shares its principal place of business with Mailing Force at 33 Ubi Ave. 3 #08-04, Singapore 408868.

11. Records obtained during the investigation show BDK Mailing also uses the Vertex Building address for certain business dealings. Additional records show that another BDK Mailing affiliate, Mail Order Business International Pte. Ltd. (“MOBI”), shares the same suite in the eighth floor of the Vertex Building. MOBI’s website (mobintl.com.sg) bills the

company as “provid[ing] comprehensive and customized solutions for all mailing and distribution campaigns.

12. Chantal Seguy (“Seguy”) is an owner, officer, and director of BDK Mailing, Mailing Force, and Only Three. She is also a majority shareholder and manager of Punch Concept. Seguy was married to Bernhard Elchlepp until his death in March 2015. She resides in Paris, France. Records obtained during the investigation show that Seguy is in a position to have knowledge of the mass mail schemes described below.

13. Marion Elchlepp (“Elchlepp”) is a director of BDK Mailing, Mailing Force, and Only Three. She is also a shareholder of Punch Concept. Elchlepp is the daughter of Bernhard Elchlepp. She resides in Paris, France. Records obtained during the investigation show that Elchlepp is in a position to have knowledge of the mass mail schemes described below.

14. Aurora Jouffroy-Brandtner (“Jouffroy”) is a director of BDK Mailing, Mailing Force, and Only Three. Jouffroy is Bernhard Elchlepp’s daughter-in-law. She resides in Zurich, Switzerland. Records obtained during the investigation show that Jouffroy is in a position to have knowledge of the mass mail schemes described below. I will refer to BDK Mailing, Mailing Force, Only Three, Seguy, Elchlepp, and Jouffroy collectively as “BDK” throughout this declaration.

15. Seguy, Elchlepp, and Jouffroy have run the day-to-day business of BDK Mailing, Mailing Force, and Only Three since Mr. Elchlepp’s death in March 2015. *See* Exhibit 1 attached hereto.

B. *Macromark – The List Broker*

16. Macromark, Inc. is a list broker. Public records show that Macromark Inc. is a New York business entity founded in 1987. Macromark's principal place of business is 39 Old Ridgebury Road, Suite 3, Danbury, CT 06810.

17. Macromark advertises a variety of services on its website (www.macromark.com), and offers access to mailing lists for those purportedly interested in topics including astrology, sweepstakes, weight loss, anti-aging, virility products, nutritional supplements, business opportunities, loans, grants, credit and "free money," attending seminars, and other investment advice.

18. Macromark's website openly bills Macromark as "one of the largest direct mail companies specializing in targeted lists in the [United States]." Advising that "[t]he mailing list is the most important part of the of a direct mail program," Macromark touts its ability to "provid[e its] clients with targeted and relevant consumer and/or business lists that produce the best possible results." Specifically, Macromark "provides comprehensive list brokerage services," including "uncovering new list opportunities and untapped prospects," working with clients "to fully understand their direct marketing objectives," "analyz[ing] previous marketing efforts and mail plans," "provid[ing] list recommendation[s]," and "supply[ing] superior service with timely delivery."

19. Mary Ellen Meyer ("Meyer") is a client services manager at Macromark, with over seven years specializing in brokering lists pertaining to astrology, health/diet, business to business, and financial and business opportunities. Meyer resides in Mahopac, New York. Records obtained during the investigation show that Meyer is in a position to have knowledge of

the mass mail schemes described below. I will refer to Macromark, Inc. and Mary Ellen Meyer collectively as “Macromark” throughout this declaration.

C. MOSI – The Printer/Distributor

20. Mail Order Solutions India Pvt. Ltd. (“MOSI Ltd.”) is a printer/distributor. Public records show that MOSI Ltd. is an Indian business entity founded in 2003. MOSI Ltd.’s principle place of business is 406, Raheja Plaza, Mumbai, India.

21. MOSI Ltd.’s advertises itself through its website (www.mosindia.biz) and corporate brochure as a “specialist” at every stage of printing operations, including the printing and distribution of mass-mail campaigns. Among the advantages touted by MOSI is the ability for clients to “outsource an entire project” to MOSI as a means of achieving “substantial savings without compromising on the level of service and quality that the advanced world expects.” *See* Exhibit 2 attached hereto.

22. According to its corporate brochure, MOSI operates a “state-of-the-art,” 100,000 square foot “Print Production and International Postal and Distribution Service” complex that employs over 200 specialists who oversee various operations, including “creative, pre-press, offset printing, digital printing, variable data printing, data management, distribution, fulfillment, fabrication solutions, dispatch and logistics.” MOSI’s resources allow it to print and distribute up to 15 million solicitation packets per month.

23. Dharti B. Desai (“D. Desai”) is an owner and President of MOSI Ltd. Ms. Desai resides in New York County, New York and Mumbai, India. MOSI Ltd.’s webpage describes Ms. Desai as “the key architect in setting the overall strategic direction” of MOSI Ltd. and responsible for “sourcing key clients and vendors.” Records obtained during the investigation

show that Ms. Desai is in a position to have knowledge of the mass mail schemes described below.

24. Mehul A. Desai (“M. Desai”) is Dharti Desai’s brother and an owner and Chief Operating Officer of MOSI Ltd. Mr. Desai resides in Mumbai, India. MOSI Ltd.’s webpage describes Mr. Desai as the “driving force” behind MOSI Ltd. and “instrumental in defining the company’s relationship with its clients.” Records obtained during the investigation that show that Mr. Desai is in a position to have knowledge of the mass mail schemes described below. I will refer to MOSI Ltd., Dharti Desai, and Mehul Desai collectively as “MOSI” throughout this declaration.

BACKGROUND ON THE INVESTIGATION

25. USPIIS and the Consumer Protection Branch of the Department of Justice (DOJ) are investigating the fraudulent mailing of lottery and psychic solicitations to victims across the United States. The investigation concerns possible violations of, *inter alia*, 18 U.S.C. §§ 1301-1302 (concerning the mailing of lottery material), § 1341 (mail fraud), § 1343 (wire fraud), § 1349, (conspiracy to commit mail or wire fraud). Entities and individuals involved in the design, data and list management, printing, shipping, and mailing of these solicitations include both foreign and domestic participants.

26. The major sources of evidence in this investigation include: United States Postal Service records; witness interviews; victim complaints; business and public records; evidence recovered from electronic accounts; documents and other evidence recovered from victims; and documents and other evidence from the Dutch Fiscal Intelligence and Investigation Division (“FIOD”), which has provided information and assistance relevant to the contents of this declaration pursuant to the Mutual Legal Assistance Treaty with the Netherlands.

A. The December 2015 Observation of Outgoing International Mail

27. The investigation revealing BDK, Macromark, and MOSI's involvement in mass-mailing fraud schemes began in December 2015, when U.S. Postal Inspectors conducted an operation at the United States Postal Service New York International Service Center (the "New York ISC") located at John F. Kennedy International Airport in Jamaica, New York. The inspectors identified mail being sent from locations in the United States to locations in the Netherlands. Almost all international letter mail between the United States and the Netherlands is processed by the United States Postal Service ("USPS") at the New York ISC.

28. From observing mail going from the United States to the Netherlands through the New York ISC over a two-day period, on December 29 and 31, 2015, I and other law enforcement personnel counted more than 10,000 pieces of letter mail that were pre-addressed return envelopes to P.O. boxes in the Netherlands. Of these, at least 1,650 were addressed to fictitious entity names and P.O. boxes later linked to mail scams involving BDK, Macromark, and/or MOSI.

29. Based on my training and experience, such a volume of pre-printed return envelopes addressed to foreign P.O. boxes is evidence of an international direct mail fraud scheme. Such mail is likely to contain monetary remittances and filled-out response cards sent by victims in response to fraudulent solicitations.

30. It is extremely unlikely that a legitimate business would use P.O. boxes and caging services in another country, such as the Netherlands, to process mailed responses from its customers. Here, such practices require the responding victims to purchase international mail postage; the response rate is therefore lower, because it costs more for victims to mail the response cards. In addition, using a caging service located outside of the United States make it

more difficult to process payments from U.S. victims, because checks drawn on U.S. accounts must be returned to the U.S. for deposit in the U.S. bank. Paying to transfer each U.S. check from a foreign country back to a bank in the United States increases operating costs. A legitimate direct mail business would thus achieve lower profit margins if it were to adopt the use of a foreign caging service.

B. The March 2016 Seizure of an Inbound Air Cargo Shipment (the “2016 Dulles Seizure”)

31. On March 12, 2016, U.S. Customs and Border Patrol (“CBP”) flagged for inspection and took possession of a large air freight shipment of printed materials entering the United States from India. On March 14, 2016, CBP flagged for inspection and took possession of two more air cargo shipments of printed materials entering the United States from India. Upon inspection of the contents, CBP personnel discovered that all three shipments contained solicitation packets pre-addressed to potential victims in the United States.

32. All three shipments had invoices taped to the exterior of the shipping boxes identifying the “Buyer” (*i.e.*, the direct mailer), the “Consignee & Delivery” (*i.e.*, the receiving U.S. mailing house), and the “From” (*i.e.*, the printer/distributor sending the cargo). The invoices all identified a Maryland-based mailing house, Direct Mail Management (“DMM”), as the consignee, MOSI Ltd. as the sender, and either Mailing Force or Nature Plus Ltd., another direct mailer USPS has identified in connection with fraudulent mass mailing schemes, as the “Buyer.” *See* Exhibit 3 attached hereto.

33. On May 6, 2016, USPS executed a seizure warrant for the three air cargo shipments. One of the three shipments contained 94 individually wrapped boxes, collectively weighing in excess of 1.31 tons. Each of the 94 boxes of seized cargo attached an invoice

identifying Nature Plus Ltd. as the “Buyer,” DMM as the “Consignee,” and MOSI Ltd. as the sender. *See* Exhibit 3 at 6.

34. The second of the three shipments was even larger, containing 149 individually wrapped boxes, weighing in excess of 2.16 tons. Each of the 149 boxes attached an invoice identifying Mailing Force as the “Buyer,” DMM as the “Consignee,” and MOSI Ltd. as the sender. *See* Exhibit 3 at 1-3.

35. The third of the three shipments contained 115 individually wrapped boxes, weighing in excess of 1.58 tons. Each of the 115 boxes attached an invoice identifying Mailing Force as the “Buyer,” DMM as the “Consignee,” and MOSI Ltd. as the sender. *See* Exhibit 3 at 4-5.

36. The three shipments contained in excess of 273,000 solicitation packets addressed to potential U.S. victims, including thousands of potential victims residing in the Eastern District of New York.

37. The boxes identifying Mailing Force as the “buyer” contained six sets of tens of thousands of nearly identical copies of solicitation packets for mailing campaigns using the names “Dr. Grant,” “Dr. Kramer” (two different campaigns), “Harrison Institute,” and “Marie de Fortune” (two different campaigns). *See* Exhibit 4 attached hereto.

38. The boxes identifying Nature Plus Ltd. as the “buyer” contained tens of thousands of nearly identical copies of a solicitation packet for a mailing campaign using the name “Lady of Hearts.” *See* Exhibit 5 attached hereto.

39. Records indicate that MOSI has sent over 500 similar bulk air cargo shipments—weighing approximately 450 tons—to U.S.-based mailing houses since 2013. Based on the size

and weight of the shipments, USPIS estimates that these shipments contained at least 24.5 million solicitation packets. MOSI continues to make similar shipments to this day.

C. The May 2016 Seizure of Outbound Victim Responses (the “New York ISC Seizure”)

40. On May 10, 2016, USPIS seized mail pursuant to a warrant at the New York ISC. The seized mail included one-day’s worth of pre-printed reply envelopes addressed to P.O. boxes in the Netherlands that contained documents referring to a purported lottery, sweepstakes, psychic service or other fraudulent matter. The mail seized included, among other things, remittances by credit card, checks, money orders, and cash by U.S. victims addressed to fictitious entities and P.O. boxes linked to fraudulent mass-mailing campaigns involving BDK, Macromark, and/or MOSI.

41. Specifically, the seized mail included over 748 victim responses enclosing payment and addressed to fictitious entity names and P.O. boxes linked fraudulent mass-mailing campaigns involving BDK, Macromark, and/or MOSI.

42. Several of these responses included hand-written letters from victims revealing that the victims were deceived by the solicitations’ false claims that they won or would soon receive money or other valuable items. In addition, there were several victims’ complaints saying that the victims sent in the requested money but never received the promised money or prizes, or the item they did receive was worthless. *See* Exhibit 6 attached hereto (the names of the victims have been redacted to protect their privacy).

D. Review of USPIS Determinations of Non-Mailability (“DONs”)

43. The investigation also gathered evidence by reviewing Determinations of Non-Mailability (“DONs”) issued by USPIS and mailed to Defendants’ P.O. boxes. A DON is an administrative process undertaken by USPS, pursuant to Title 39, United States Code, Section

3001 (Nonmailable matter), which authorizes USPS to seize and destroy illegal matter sent though the mail. Section 3001 states in pertinent part:

Matter the deposit of which in the mails is punishable under section 1302, 1341, 1342, 1461, 1463, 1715, 1716, 1717, or 1738 of title 18, or section 26 of the Animal Welfare Act is nonmailable. . . . [N]onmailable matter which reaches the office of delivery, or which may be seized or detained for violation of law, shall be disposed of as the Postal Service shall direct.

44. Mail subject to a DON is seized and destroyed, pursuant to the rules delineated in Title 39, Code of Federal Regulations, Part 952.

45. DONs are conducted at the five international airports in the United States that have been designated as ISCs, including the New York ISC. The process is frequently initiated after CBP inspects inbound foreign mail and finds lottery-related solicitations, resulting in referral to USPIS.

46. Mass mail solicitations intercepted through the DON process travel from their various countries of origin through the international postal system and arrive at one of the five ISCs. Based on my training and experience, I have learned the hallmarks of mass mailing fraud schemes. These fraudulent mailing “campaigns” can be identified as groups of dozens—and usually hundreds or thousands—of pieces of letter mail, all in identical envelopes and all being mailed to residents of the United States from foreign countries. The envelopes are brightly colored, or they bear brightly colored or eye-catching designs or text. For each group of identical envelopes, CBP inspects the contents of two sample solicitations to determine if there is a violation. Based on my training and experience, I have learned that mail pieces with identical envelopes are all part of the same fraudulent mailing campaign and the solicitations contained

inside are generally identical except for the potential victim's name and address. *See* Exhibit 7 attached hereto.²

47. Once the USPS determines that incoming international mail contains lottery related mail in violation of 18 U.S.C. § 1302 (the criminal postal anti-lottery statute), or violates 39 U.S.C. § 3001(k), it issues a DON. USPS mails the DON to the return address provided in the improper solicitation, along with a sample solicitation and an explanation that the solicitation violated either 18 U.S.C. § 1302 or 39 U.S.C. § 3001(k). *See, e.g.*, Complaint Exs. B, D.

48. The investigation determined that, from January 1 through June 9, 2016 alone, at least 78 DONs were issued for fraudulent mailing campaigns that used P.O. boxes operated on BDK's behalf. In 2016, through the DON process, USPS seized and destroyed more than 108,000 pieces of mail that violated 18 U.S.C. § 1302 or 39 U.S.C. § 3001(k) and that were addressed to fictitious entity names and P.O. boxes later linked to BDK's fraudulent mass-mailing campaigns.

49. Prior to 2016, the USPS issued at least 153 DONs for fraudulent mailing campaigns that used P.O. boxes operated on BDK's behalf. In total, as part of these pre-2016 DONs, USPS seized and destroyed more than 74,807 pieces of mail that violated 18 U.S.C. § 1302 or 39 U.S.C. § 3001(k) and that were addressed to fictitious entity names and P.O. boxes later linked to BDK's fraudulent mass-mailing campaigns.

50. Based on my training and experience, the DON numbers are not indicative of the actual volume of BDK's fraudulent mailing campaigns during that time period, because—even in high-volume years—DONs never represent more than an extremely small percentage of the

² The fraudulent "Marie de Fortune" mailing campaign pictured in Exhibit 7 was not identified through the DON process; Exhibit 7 is simply a representative example of what a fraudulent BDK mailing campaign looks like.

total lottery-related, fraudulent, or otherwise unlawful mail coming into the United States. Based on my training and experience, the seizure of no less than 182,000 BDK solicitation packets through the DON process suggests that BDK sends millions of solicitation packets to the United States via the foreign post each year.

E. The Investigation of Dutch Caging Services

51. In addition, portions of this investigation are being conducted in cooperation with the Dutch Fiscal Intelligence and Investigation Division (“FIOD”), which has provided information and assistance relevant to the investigation pursuant to the Mutual Legal Assistance Treaty with the Netherlands. Our investigation team has been coordinating with law enforcement agents at FIOD.

52. On June 1, 2016, FIOD executed search warrants on a total of ten locations in its investigation into six caging companies who operated P.O. boxes that were suspected of being used for fraudulent mass-mailing schemes. The searches obtained electronic and hard copy documents from the caging companies.

53. Records obtained from the searches confirmed, among other things: the fictitious names used by dozens of BDK, Macromark, and/or MOSI schemes targeting potential U.S. victims; the existence of hundreds of template solicitation packets used in connection with those schemes; the identity of multiple Dutch caging services facilitating those schemes; the identity of dozens of Dutch P.O. boxes linked to those schemes; the identity of the payment processor(s) involved with these schemes; and the identity of BDK and MOSI employees with knowledge of the schemes.

THE BDK, MACROMARK, AND MOSI MASS MAILING SCHEMES

A. BDK's Role: The Initiation of the Direct Mailing Schemes

54. BDK operates at least 37 fraudulent direct mail schemes that target elderly and other vulnerable potential victims across the globe. As part of these fraudulent mailing schemes, BDK causes the yearly mailing of millions of solicitation packets to potential victims throughout the United States, including thousands in the Eastern District of New York.

55. BDK operates its schemes under the guise of dozens of contrived financial institutions, learned scholars, and psychics. To date, USPIS has identified the following fraudulent BDK mass mailing schemes: "Angèle et Angéline," "Angélique de Succès," "A.P.M.E.," "Baroness de Rothman," "Bio Sana," "Buchmüller & Co.," "Carmen Dumas," "Christine de Paris," "Connor & Smith Transfer Agency," "Dr. Barkley," "Dr. Grant," "Dr. Henderson," "Dr. Kramer," "European Winners Club" (EWC), "Fatima Research Center," "Finkelstein & Partner," "Financial Transfer Institute" (FTI), "Harrison Institute," "I.E.R.," "House of Health," "Madame Soleil," "Magister Davids," "Maître Norbu," "Maître Pascal," "Maître Paul Ritter," "Michael M.," "Michelle Devon," "Mineralis," "PB Top News," "Perfect Health," "Professional Promotion," "Sophros I," "Stella," and "Winner Club." *See* Exhibit 8 attached hereto.

56. Using these fictitious names, BDK creates and maintains a library of template solicitation packets for each one of its fraudulent mailing schemes, with some schemes using a dozen or more varied templates. A review of records collected during the investigation reveals that BDK has created hundreds of distinct solicitation packets under its 37 fraudulent direct mail schemes since 2013 alone. None of the solicitation packets identify BDK as a sender.

57. Each BDK solicitation packet contains multiple misrepresentations designed to induce elderly and other vulnerable victims to send payments to BDK. The solicitation packets contain “personalized” letter solicitations that claim that the victim is the sole recipient of the letter, or one of a small number of recipients, and that the solicitation was sent to the recipient based on unique information about him/her (*e.g.*, selection in a grand prize drawing, personal identification by a secret benefactor, or a psychic vision about the recipient). All of the solicitations state that the recipient will receive either large sums of money, an “infallible” money-making method, a powerful talisman, or a combination of these. The solicitations then invariably urge recipients to make payments to the fictitious entity, usually ranging from \$50 to \$55, to assure processing and receipt of the promised riches. The solicitations generally fall into one of three categories:

- *Prize-Transfer Solicitations.* These solicitations falsely claim that the victim has won a lottery or sweepstakes, or has otherwise come into a great fortune and that the victim will receive his/her winnings if he/she pays a processing fee. *See, e.g.*, Complaint. Ex. A; Paragraphs 90-99, *infra*.
- *Wealth-Building Solicitations.* These solicitations falsely claim that the victim has won a large sum of money and then urge the victim to purchase instructions on an “infallible” method for making money or a unique supernatural talisman guaranteed to provide the user great luck and wealth. *See, e.g.*, Complaint Exs. C and E; Paragraphs 100-113, *infra*.
- *Psychic Solicitations.* These solicitations purport to come from a person with psychic powers who promises to use his/her abilities to improve the victim’s financial and personal circumstances. The solicitations often state that the psychic has seen the individual recipient winning large sums of money through the lottery. The solicitations urge the recipient to purchase various supernatural and divinatory objects or services in order to achieve the predicted wealth. *See, e.g.*, Complaint. Ex. F; Paragraphs 114-124, *infra*.

58. Each solicitation packet instructs the recipient to fill out an enclosed response card and to return it to the fictitious entity along with his/her payment. The response card frequently asks victims to affirm that they accept their winnings and are interested in receiving a

wealth building method or talisman. The cards then instruct victims to make a payment via cash, bank or postal check, money order, or credit card using a return envelope pre-addressed to an international P.O. box controlled by one of BDK's caging services. *See, e.g.*, Complaint Exs. A, C, E, and F.

59. Despite misrepresentations that they are personal communiqués, tens (and frequently hundreds) of thousands of nearly identical copies of each solicitation packet are sent to potential victims throughout the United States. And while these solicitations promise the delivery of large sums of money, a money-making method, a powerful talisman, or a combination of these, U.S. victims who remit payment never receive the promised funds, gifts, or supernatural items in return.

60. In the rare instance that a victim does receive a response, it is a mass-produced pamphlet or trinket of nominal value, rather than the lucrative prizes, talismans and/or services being advertised.

61. BDK's solicitations include inconspicuous fine print, frequently printed on the inside of the mailing envelope, which purports to set out terms and conditions of its solicitation. *See* Exhibit 9 attached hereto. In many cases, this hidden fine print reiterates the misrepresentations from the main, more easily read, body of the solicitation. *See* Exhibit 10 attached hereto.

62. In others solicitations, the fine print directly contradicts the claims printed in large text in the main body of the solicitation. For example, solicitations claim that the recipient has already been confirmed as the winner of a check or prize in bold, prominent lettering in the main body of the solicitation, but then explain in the hidden disclaimer that the prize drawing has not

yet taken place or that there is no prize drawing and the victim is agreeing to purchase an item or service that is not mentioned anywhere else in the solicitation. *See* Exhibit 11 attached hereto.

63. Based on my training, experience, and communications with victims, it is clear that the disclaimers are designed so that recipients are highly unlikely to see, let alone read and understand them, assuring the fine print does nothing to counteract the misleading impressions conveyed by the body of the solicitations.

B. Macromark's Role: Identifying and Renting Lists of Ideal Victims

64. Once it has completed a template solicitation packet, BDK uses one or more "lead" lists containing the names, addresses, and demographic information of thousands of vulnerable potential victims to target those individuals for receipt of the fraudulent mailing. These lists vary in size. Some contain the demographic information of several thousand potential victims; others contain information on hundreds of thousands.

65. BDK obtains lead lists in one of two ways. First, BDK maintains in-house lists that it develops and refines based on responses to its mailings. BDK's U.S.-based lists include: "BDK US Astrology Buyers," "BDK US Astrology Responders," "Delma Happiness Buyers," "Dr. Grant Buyers US," "Only3 Sweepstakes," "PB Sweepstakes US," "PB Sweepstakes US Responders," "Professional Promotional Buyers," "Ritter Astrology Buyers," and "V&G Sweepstakes Buyers US." These lists contain the demographic information of between approximately 21,500 and 96,000 names and addresses of potential victims each. *See* Exhibit 12 attached hereto.

66. BDK also works closely with its primary list broker, Macromark, Inc., and one of its astrology/sweepstakes client services managers, Mary Ellen Meyer, to identify and rent third-

party lists containing additional names and addresses of potential victims most likely to respond favorably to BDK's fraudulent mass mailings.

67. In the direct mail industry, list brokers connect direct mailers—like BDK—with list owners who possess mailing lists and expect to be paid for their use. List brokers frequently: (1) maintain databases of lead lists and the identity of the owners of those privately held lists; (2) identify, recommend, and filter lists for use with their clients' specific solicitations; and (3) broker the rental of lists that their clients use to target the direct mailings to particularly susceptible U.S. potential victims.

68. Macromark has acted as BDK's primary list broker since at least 2011. Macromark regularly brokers BDK's rental of third-party sweepstakes and "astrological" lead lists, having completed well over one hundred separate rental transactions for BDK since 2013. As part of each transaction, Macromark requires that BDK provide the direct mail solicitation that it proposes to send to the individuals on the rented list. Macromark is paid a commission for each transaction, ranging from approximately \$70 to \$350. Macromark's website currently lists numerous third-party lists that have been regularly rented by BDK.

69. Macromark also helps BDK, among other clients, to rent its in-house lists to other direct mailers. In that role, Macromark provides prospective renters with "data cards" for the lists it brokers, which are one page brochures that describe, among other things, the types of consumers identified by the list, the number of monthly and yearly "buyers" (*i.e.*, individuals who have submitted a payment in response to a particular mass mailing campaign), the geographic reach of the list (*e.g.*, domestic or international), and rental prices. *See* Exhibit 12. Macromark has marketed BDK's U.S. and international lead lists in scores of transactions since 2013. As part of each transaction, Macromark makes samples of BDK solicitations used to

generate the list available to the direct mailers who propose to rent a BDK list. Macromark's website continues to market BDK-owned lists to this day. Macromark is paid a commission for these transactions as well, ranging from approximately \$50 to \$250. *See id.*

70. As a result of Macromark's marketing of BDK lists, victims who BDK includes on its lists also receive solicitations from and are victimized by many other similar sweepstakes and astrological mail-fraud schemes.

71. BDK-linked transactions account for approximately 20% to 25% of Macromark's yearly "Astrological" and "Sweepstakes" list-brokering revenue.

C. MOSI's Role: Mass Printing and International Distribution

72. Once a template solicitation packet and lead list(s) is selected, MOSI (or another of BDK's printer/distributors) "personalizes" and prints tens to hundreds of thousands of nearly identical copies of the solicitation packets and ships and/or mails them to the United States.

73. Information obtained from MOSI's website, MOSI marketing materials, and records obtained during the investigation indicate that MOSI Ltd., with active supervision by Dharti Desai and Mehul Desai, has served as one of BDK's printer/distributors since at least 2005. BDK is MOSI's largest client, accounting for approximately 50% of MOSI's business.

74. Among other things, MOSI works on BDK's "design revamps, data management, offset printing, personalization, lettershopping [and] distribution across the globe." MOSI provides similar services to other direct mailers known to operate similar mass mailing schemes targeting potential victims in the United States. Specifically, MOSI provides BDK and its other mass-mailing clients with the following services:

- Reviewing and editing template solicitation packets, including the outer mailing envelope and internal mailing pieces;

- Communicating with U.S.-based mailing houses for input regarding whether solicitation packets will meet United States Postal Service (“USPS”) criteria for bulk domestic pre-sort mailings;
- Requesting input from U.S.-based mailing houses regarding the legality of individual solicitation packets;
- “Personalizing” template solicitation packets with data from lead lists to “enhance . . . one-to-one marketing” and “significantly improve [clients’] response rates”;
- Printing thousands of copies of the solicitation packets using advanced digital and offset printing techniques to create effects such as simulated official stamps and handwriting; and
- Lettershopping (*i.e.*, folding, assembling, inserting, and sealing the various printed elements of the solicitations into their mailing envelopes).

75. MOSI prints approximately 2 million BDK solicitation packets per month.

76. After editing, proofing, printing, and lettershopping a batch of fraudulent BDK solicitation packets, MOSI prepares them for entry into the U.S. mail via one of two pathways: (1) shipment as air freight to JFK (or another international airport) for delivery to a domestic mailing house that introduces the letters into the U.S. mail using a USPS bulk mailing permit, or (2) shipment of the letters to Singapore, Austria or other countries for introduction to the U.S. mail via the foreign post. *See, e.g.*, Exhibit 13 attached hereto. MOSI distributes millions of BDK solicitations to the United States each year using these two distribution methods. The investigation has revealed that approximately 10 million copies of BDK solicitation packets are sent to U.S. recipients each year.

77. The solicitations are then delivered by the tens or hundreds of thousands to their intended victims, including thousands in the Eastern District of New York.

78. BDK frequently mails identical (or translated) copies of its solicitation packets to over a dozen countries besides the United States as part of a single fraudulent mass-mailing campaign.

D. Processing Victim Responses: “Caging”

79. All of BDK’s fraudulent solicitation packets contain pre-addressed return envelopes to facilitate the remittal of victim payments. The return envelopes are addressed to the fictitious benefactors at various foreign P.O. boxes. *See, e.g.*, Complaint Exs. A, C, E, and F. In reality, the boxes are rented by BDK’s caging services, with rental fees invoiced to BDK. *See* Exhibit 14 attached hereto.

80. The caging services act as a hub through which BDK’s (and other direct mailers’) fraudulent remittances are received, sorted, processed and recorded. When the caging services receive a victim’s response, they open the return envelope, review it, record the victim’s demographic and payment information into a database, and facilitate the transmission of cash, checks and/or credit card information to BDK’s payment processor. After recording the victim responses and sending payments along to processing, the caging services discard victims’ responses. *See* Exhibit 15 attached hereto.

81. Historically, BDK has employed multiple international caging services, including at least eight Dutch caging services, to process victim responses since 2013. Since 2013, BDK has utilized over 50 different P.O. boxes registered to these international caging services.

82. Two of these Dutch services were the subject of simultaneous enforcement actions by the United States Department of Justice and Dutch law enforcement in June 2016: Kommunikatie Service Buitenland, B.V. (“KSB”) and Trends Service in Kommunikatie, B.V. (“Trends”). *See* Exhibit 16 attached hereto; *see also* Exhibit 14; *United States v. Trends Service in Kommunikatie, B.V., et al.*, No. 1:16-cv-02770-ILG-SMG (E.D.N.Y. 2016). At least three more of the Dutch caging services were also subject to Dutch law enforcement actions in June 2016, including: DM Service, TW4 GmbH, and VaRo Fulfilment.

83. BDK currently cages though at least one or more of the non-targeted caging services. USPIS is actively investigating whether BDK is using additional new caging services located in the Netherlands and/or other countries following the June 2016 enforcement actions.

E. Processing Victim Payments

84. The caging services do not process payments. Instead, BDK processes payments made by victims through PacNet Services Ltd. (“PacNet”), located in Vancouver, Canada.

85. Cash payments remitted by U.S. victims in response to BDK’s solicitations are transported daily by armored car (*e.g.*, Brinks) from the caging services to a local banking facility. The cash is then deposited into a holding account pending weekly “transfer[s] to [a BDK] bank account anywhere in the World.” *See* Exhibit 16. BDK has its cash payments transferred to a master bank account controlled by PacNet, which are then routed to one or more BDK-only accounts.

86. Victims’ check and money order payments are boxed up by the caging services and sent to PacNet’s “Global Service Centre,” located in Vancouver, Canada. PacNet instructs the caging services to identify the contents of the boxes as “business documents with no commercial value,” to minimize scrutiny of the contents. Once it receives a shipment of BDK checks, PacNet processes the checks and disburses the proceeds into dozens of separate accounts, each linked to a BDK scheme.

87. Credit card information is input by BDK’s caging services into an electronic “credit card file” (also known as a “credit card batch”) and transmitted electronically to PacNet for processing. Once processed, the funds are distributed to BDK’s accounts.

88. PacNet also regularly disburses payments to other entities, like Macromark and MOSI, for their services in connection with BDK’s fraudulent mass-mailing schemes.

THE FRAUDULENT SOLICITATIONS

89. USPS's investigation has identified hundreds of different solicitation packets linked to fraudulent mass-mailing schemes involving BDK, Macromark, and/or MOSI since 2013 alone.

A. Prize-Transfer Schemes

90. The defendants run one set of schemes purporting to come from a person who claims to be able to facilitate the payment of the cash prizes from sweepstakes, lotteries, or other beneficial financial transactions to the solicitation's recipient. The solicitations falsely inform recipients that they have won or are otherwise entitled to large sums of money ranging from tens to hundreds of thousands of dollars and that they will receive the funds if they pay a small "processing" fee. Although victims of the schemes send the requested money by cash, check, or credit card to international P.O. boxes controlled by BDK's caging services, they never receive the promised funds.

91. One such BDK prize-transfer solicitation packet mailed in 2016 to thousands of potential U.S. victims informs the recipient that the "Harrison Institute" has identified the recipient as the winner of a "main prize check" of \$36,000.00. *See* Complaint Ex. A. In order to receive the signed check, the solicitation urges the recipient to confirm his or her mailing address and, in order to "receive [the] check as rapidly as possible," to spend \$45 for a "Win Generator" and an additional "\$5 for shipment (a total of \$50) for processing of [the] documents." The direct mailing also offers the recipient the option for "priority processing and shipment" for an additional \$5. Specific misrepresentations contained in this solicitation packet include the following:

- “The independent monitoring officer has confirmed that your personal number has won. The check for \$36,000.00 will be sent to your home address and you can deposit it the same day!”
- “Confirmation 1: We hereby confirm that number 222.555.014 has won the following prize: Bank check for ** \$36,000.00 **”
- “Confirmation 2: It is GUARANTEED And CONFIRMED that number 221.555.014 has won the bank check for \$36,000.00! It will be remitted to only the main winner, [Victim’s Name].”³
- “Confirmation 3: It is also confirmed that [Victim’s Name] will receive the check won immediately provided the response is received in due form and before the deadline.”
- “You are receiving this letter because you have been declared the winner of our annual prize. The signed check is ready to be sent to you. The purpose of this document is to authorize your claim for the main prize check by fulfilling all conditions. The main prize check for \$36,000.00 is REALLY YOURS! This is GUARANTEED!”

See Complaint. Ex. A

92. Nearly identical solicitation packets were sent to tens of thousands of potential victims throughout the United States, including the Eastern District of New York. The solicitations include copies of purported signatures by “Robert Harrison,” the General Manager of the “Harrison Institute.” The signatures are printed to appear as if hand written, but, in fact, are nothing more than the handiwork of MOSI’s printing services. All of the solicitations contained a return envelope addressed to a P.O. box registered to the Trends caging service and invoiced to Mailing Force and Chantal Seguy.

93. USPIS seized numerous return envelopes sent by U.S. victims to a Trends P.O. box in response to BDK’s “Harrison Institute” scheme during the 2016 New York ISC Seizure,

³ I use brackets to indicate text that was individualized to the particular recipient through the use of mail merge software in order to make the solicitation appear personalized, such as the victim’s name or address.

including dozens from residents of the Eastern District of New York. The envelopes enclosed cash, check, and credit card payments to the “Harrison Institute,” included completed response cards, and, in certain circumstances, contained victims’ hand-written letters to the fictional benefactor. *See* Exhibit 6 at 24-30.

94. Macromark is also involved in the “Harrison Institute” scheme. Records obtained during the investigation show that, since 2013, Macromark has rented BDK at least one lead list it knew BDK would use to personalize and address tens of thousands of “Harrison Institute” solicitation packets sent to potential victims across the United States.

95. Macromark marketed the lead list to BDK and others as containing the demographic information of “perfect candidates for all astrology, sweepstakes and opportunity offers.” The list contained approximately 13,000 potential victim names and addresses.

96. MOSI is an active participant in the “Harrison Institute” scheme as well. Solicitation packets seized during the 2016 Dulles Seizure included tens of thousands of copies of a “Harrison Institute” solicitation. *See* Exhibit 4.

97. In addition, USPIS has issued at least two DONs regarding “Harrison Institute” solicitations. These DONs declare that the solicitations violate federal law. *See, e.g.,* Complaint Ex. B.

98. In addition to “Harrison Institute,” BDK operates several other prize-transfer schemes under a number of other fictitious names, including “Dr. Kramer” and “I.E.R.” Each of these schemes uses solicitations containing misrepresentations similar to those used by the “Harrison Institute” scheme. *See, e.g.,* Exhibit 17 attached hereto.

99. USPIS has issued at least four DONs regarding “Dr. Kramer” and 18 DONs regarding “I.E.R.” since 2013.

B. The Wealth-Building Schemes

100. The Defendants run a second set of schemes that, like the prize-transfer schemes, also purport to come from a person or institution who claims to be able to facilitate the recipient's obtaining cash proceeds from sweepstakes, lotteries, or other beneficial financial transactions. These solicitation packets, however, also falsely state that the sender possesses an "unique" method for amassing substantial wealth or a supernatural talisman that guarantees the receipt of riches that the recipient can purchase (along with assuring the delivery of his/her large cash winnings) for a small "processing" or "symbolic" fee. Some of the wealth-building solicitation packets also include "testimonials" from other fictional satisfied purchasers. Although victims of the schemes send the requested money by cash, check, or credit card to international P.O. boxes controlled by BDK's caging services, they never receive the promised methods, supernatural items, or prizes. In the rare instance when a victim receives any response, it is merely a letter containing a mass-produced pamphlet or trinket of nominal value.

101. One such BDK wealth-building solicitation packet mailed in 2016 to thousands of potential U.S. victims purports to come from "Dr. Grant." *See* Complaint Ex. C. The supposedly "personal and confidential" letter informs the recipient that he/she has won a "tax-free \$50,000 check." The solicitation then provides the recipient the opportunity to purchase a "revolutionary method of numerology that guarantees . . . wins of monumental sums of money." The letter next instructs the recipient to remit a "symbolic payment" of \$50 "to receive the revolutionary method of applied numerology" and the winning check "as soon as possible." The letter also offers the recipient the option of "priority" order processing for an additional \$5. The letter warns that without payment, the winning \$50,000 check will not be sent for 12 months. Specific misrepresentations contained in this solicitation packet include the following:

- “We hereby confirm to the main winner, [victim’s name]: We officially and formally declare that the unique check for \$ 50,000.00 is yours!”
- “Yes, it’s official. You have been named DEFINITELY the main recipient of this communiqué, [victim’s name]! \$ 50,000.00 are ready to be paid.”
- “The check you have definitively won will be sent to your address by special messenger within 7 days.”
- “[T]his is official: All regulatory verifications have been conducted. We have just been authorized to send you this registered letter with return receipt requested. THE RESULT IS IRREVOCABLE*: Since your personal number 713539 has been declared a winning number*, you are a confirmed recipient of a winning check.”
- “Today you have the unique chance and the opportunity to receive a mathematical method that will guarantee regular wins. If you decided to obtain this method and follow it to the letter, you will soon be part of those happy people who regularly write to us to thank us for their new fairy tale existence we have made possible for them.”

See Complaint Ex. C.

102. Nearly identical solicitation packets were sent to tens of thousands of potential victims throughout the United States, including the Eastern District of New York. The solicitations include copies of purported “notes.” The notes are printed to appear as if they were hand written, but, in fact, are nothing more than the handiwork of MOSI’s printing services. All of the solicitations contained a return envelope addressed to a P.O. box registered to the Trends caging service and invoiced to Mailing Force and Seguy.

103. USPIIS seized numerous return envelopes sent by U.S. victims to a Trends P.O. box in response to BDK’s “Dr. Grant” scheme during the 2016 New York ISC Seizure. The envelopes enclosed cash, check, and credit card payments to the “Dr. Grant,” included completed response cards, and, in certain circumstances, contained victims’ hand-written letters to the fictional benefactor.

104. Tens of thousands of additional copies of MOSI-printed “Dr. Grant” solicitation packets were seized by USPIIS during the 2016 Dulles Seizure. *See* Exhibit 4.

105. In addition, USPIS has issued at least 12 DONs regarding “Dr. Grant” solicitations. These DONs declare that the solicitations violate federal law. *See* Complaint Ex. D.

106. Another BDK wealth-building solicitation packet mailed in 2016 to thousands of potential U.S. victims informs the recipient that “Finkelstein & Partner International Trust Company” has identified the potential victim as the owner of “a block of 950 shares” valued at \$ 52,694.40. *See* Complaint Ex. E. The solicitation then offers the recipient the “unique and final” opportunity to purchase the “Golden Scepter of Hera,” a “wondrous piece of jewelry” that guarantees its purchaser wins of “\$100,000 in the first 8 weeks[.]” The solicitation directs the recipient to pay \$50 to purchase the Scepter and to assure that the recipient’s “documents will be handled with absolute priority and the processing of the transfer of shares will be accelerated.” Like “Dr. Grant,” “Finkelstein & Partner” also offer the recipient the opportunity for \$5 “express” processing, assuring that “the sale of the block shares . . . meets the deadline” set by the solicitation. Specific misrepresentations contained in this solicitation packet include the following:

- “[T]his is NO mistake [victim’s name]! You are indeed the owner of a block of shares that you can now procure in your favor.”
- “Here it is again in black and white: COMMON SHARES AT CURRENT MARKET VALUE OF \$ 52,694.40 are ready here for liquidation, [victim’s name]! This is absolutely definite! The exceptional sum of \$ 52, 694.40 is the result of the current market value of 950 common shares from our client to you!”
- “We hereby officially declare and confirm [victim’s name]: A block of shares worth 52,694.40 dollars has been prepared for transfer to you. This has been conclusively confirmed by the supervisory board.”
- “Send in your reply form preferably today! It would be best to send it together with the request for the “Golden Scepter of Hera,” that guarantees the automatic processing of your documents with top priority! The processing will be accelerated

and the block shares with the current market value of \$ 52,694.40 can be quickly assigned to you and the proceeds can be paid to you!”

- “YES, I would like to take advantage of the unique and final opportunity to request the “Golden Scepter of Hera” and its secrets. It is not only an extraordinary piece of jewelry, but it opens the doors to wealth and abundance at the same time!”

See Complaint Ex. E.

107. Nearly identical solicitation packets were sent to tens of thousands of potential victims throughout the United States, including the Eastern District of New York. The solicitations include copies of purported “notes.” The notes are printed to appear as if they were hand written, but, in fact, are nothing more than the handiwork of MOSI’s printing services. All of the solicitations contained a return envelope addressed to a P.O. box registered to the Trends caging service and invoiced to Mailing Force and Seguy.

108. USPS seized numerous return envelopes sent by U.S. victims to a Trends P.O. box in response to BDK’s “Finkelstein & Partner” scheme during the 2016 New York ISC Seizure. The envelopes enclosed cash, check, and credit card payments to “Finkelstein & Partner,” included completed response cards, and, in certain circumstances, contained victims’ hand-written letters to the fictional benefactor.

109. Macromark is also involved in the “Finkelstein & Partner” scheme. Records obtained during the investigation show that, since 2013, Macromark has rented BDK at least six lead lists it knew BDK would use to personalize and address tens of thousands of “Finkelstein & Partner” solicitation packets sent to potential victims across the United States.

110. Macromark marketed the lead lists to BDK and others as containing the demographic information of “money-loving buyers who are looking for their next big win” and other “perfect candidates for all astrology, sweepstakes and opportunity offers,” among others. The lists contained approximately 4,500 to 13,000 potential victim names and addresses each.

111. In addition, USPIS has issued at least 18 DONs regarding “Finkelstein & Partner” solicitations since 2013. These DONs declare that the solicitations violate federal law.

112. In addition to “Dr. Grant” and “Finkelstein & Partner,” BDK operates several other wealth-building schemes under a number of other fictitious names, including “A.M.P.E.,” “Baroness de Rothman,” “Bio Sana,” “Buchmüller & Co.,” “Carmen Dumas,” “Connor & Smith Transfer Agency,” “Dr. Barkley,” “European Winners Club,” “Financial Transfer Institute,” and “Magister Davids,” “Professional Promotion,” and “Winner Club.” Each of these schemes uses solicitations containing misrepresentations similar to those used by the “Dr. Grant” and “Finkelstein & Partner” schemes. *See, e.g.,* Exhibit 18 attached hereto.

113. USPIS has issued at least five DONs regarding “A.M.P.E.,” seven DONs regarding “Baroness de Rothman,” one DON regarding “Bio Sana,” 10 DONs regarding “Buchmüller & Co.,” one DON regarding “Carmen Dumas,” five DONs regarding “Connor & Smith Transfer Agency,” six DONs regarding “Dr. Barkley,” four DONs regarding “European Winners Club,” 11 DONs regarding “Financial Transfer Institute,” two DONs regarding “Magister Davids,” five DONs regarding “Professional Promotion,” and 10 DONs regarding “Winner Club” since 2013.

C. The Psychic Schemes

114. Defendants’ third set of schemes purport to come from psychics who promise to use their abilities to improve recipients’ financial and personal circumstances. The solicitation packets frequently contain copies of handwritten notes purportedly made by the psychics during individualized visions regarding the recipients. These solicitations frequently contain three types of misrepresentations: (1) that the psychic has personal knowledge regarding the recipient, (2) that the psychic has envisioned the recipient winning a large sum of money, and (3) that the

psychic will provide the recipient individualized psychic services and/or a rare item possessing supernatural powers. These solicitations urge recipients to pay a “symbolic” fee in return for the purported psychic’s personalized services, rituals, and talismans.

115. The investigation has revealed that there are no such psychics with personal knowledge of the recipients. Although victims of the schemes send the requested money by cash, check, or credit card to international P.O. boxes opened by BDK’s caging services, they never receive the promised funds, services, and items. In the rare instance when a victim receives any response, it is merely a letter containing a mass-produced trinket of nominal value, rather than item advertised by the solicitation packet.

116. One such psychic solicitation packet mailed in 2016 to thousands of potential U.S. victims purports to come from “Marie de Fortune,” a world-renowned “clairvoyant and expert in telepathic actions.” *See* Complaint Ex. F. The “personal letter” informs the recipient that de Fortune has had multiple visions that the recipient is the winner of a contest for \$59,500. The letter also offers “proof” that the recipient has won the prize along with an “original Entry Coupon” with numbers matching those “the winner will have on the unique ‘\$59,500 Prize Draw Coupon’.” The letter then offers the recipient the opportunity to receive one of 20 “necklace[s] of the Tree of Life of the Queen of Sheba,” an Ethiopian talisman that “will make the [recipient] rich and completely free of worry.” The letter instructs recipients to send in \$50 for “symbolic participation of \$45 towards [de Fortune’s] administrative and insurance costs, plus \$5 for shipment.” And, as with BDK’s other solicitations, the recipient can pay an “additional \$5” for “priority” processing. Specific misrepresentations contained in this solicitation packet include the following:

- “For a long time I have been looking all over the USA and have spent weeks of nocturnal session to find possible winners. All in vain. Then, 2 days ago, I felt

strong vibrations for the first time, and they happened again today, when your name at [victim's city of residence] was mentioned."

- "[Victim's name], YOU ARE THE PERSON IN [victim's city of residence], THE ONE THAT I AM LOOKING FOR AND TO WHOM I AM GOING TO GIVE \$ 59,500.00!"
- "My visions are never wrong. Please compare your game coupon with the numbers above. Yes, this person will be the winner: [victim's name and mailing address]."
- "I know that the secret of the eternal Tree of Life will lead you into a long period that will be full of happiness, money, love, wealth and wisdom. . . . And I have reserved for you one of the 20 necklaces of the Tree of Life that were given to me!"
- "The visions I had were so strong and so clear that money should not be an issue between us. My time spent working for you will not cost you anything, nor will the necklace of the Tree of Life and the secret ritual: I will give you all that."

See Complaint Ex. F.

117. Nearly identical solicitation packets were sent to tens of thousands of potential victims throughout the United States, including the Eastern District of New York. The solicitations include copies of purported "notes." The notes are printed to appear as if they were hand written, but, in fact, are nothing more than the handiwork of MOSI's printing services. All of the solicitation packets contained a return envelope addressed to a P.O. box registered to one of BDK's Dutch-based caging services.

118. USPSIS seized numerous return envelopes sent by U.S. victims to a Dutch P.O. box in response to the "Marie de Fortune" scheme during the May 2016 New York ISC Seizure. The envelopes enclosed cash, check, and credit card payments to "Marie de Fortune," included completed response cards, and, in certain circumstances, contained victims' hand-written letters to the fictional benefactor. *See Exhibit 6 at 46-49.*

119. Macromark is also involved in the "Marie de Fortune" scheme. Records obtained during the investigation show that, since 2013, Macromark has rented BDK at least twelve lead

lists it knew BDK would use to personalize and address tens of thousands of “Marie de Fortune” solicitation packets sent to potential victims across the United States.

120. Macromark marketed the lead lists to BDK and others as containing the demographic information of “buyers” who have “jumped at the direct mail solicitation[s] . . . to help them be big winners in the lottery games” and other “perfect candidates for all astrology, sweepstakes and opportunity offers,” among others. The lists contained approximately 2,500 to 13,000 potential victim names and addresses each.

121. Tens of thousands of additional copies of MOSI-printed “Marie de Fortune” solicitation packets were seized by USPIIS during the 2016 Dulles Seizure. *See* Exhibit 4.

122. In addition, USPIIS has issued at least two DONs regarding “Marie de Fortune” solicitations since 2013. These DONs declare that the solicitations violate federal law.

123. In addition to “Marie de Fortune,” BDK operates several other psychic schemes under a number of other fictitious names, including “Christine de Paris,” “Madame Soleil,” “Maître Pascal,” “Maître Paul Ritter,” “Maria Winter,” “Michael M,” “Michelle Devon,” “Sophros I,” and “Stella.” *See, e.g.*, Exhibit 19 attached hereto.

124. USPIIS has issued at least five DONs regarding five DONs regarding “Christine de Paris,” nine DONs regarding “Madame Soleil,” three DONs regarding “Maître Pascal,” five DONs regarding “Maître Paul Ritter,” two DONs regarding “Maria Winter,” eight DONs regarding “Michael M,” 13 DONs regarding “Michelle Devon,” and six DONs regarding “Sophros I” since 2013.

EVIDENCE OF DEFENDANTS’ KNOWLEDGE OF FRAUD

125. Based on my training and experience as a Postal Inspector and upon information obtained during the investigation, I believe that BDK, Macromark, and MOSI know that the

mass-mailed solicitation packets they help create, print, address, and/or mail contain false and misleading statements intended to induce U.S. victims to provide payments to BDK. Despite this knowledge, BDK, Macromark, and MOSI continue to participate in multiple mass mailing fraud schemes.

A. BDK

126. BDK has approximately 20 employees. Defendants Seguy, Elchlepp and Jouffroy have managed BDK's day-to-day operations since the death of family patriarch and former director of the BDK entities, Bernhard Elchlepp, in March 2015. *See* Exhibit 1.

127. Based on my training and experience as a Postal Inspector and upon information obtained during the investigation, I believe that BDK knows that their mass-mailed solicitation packets contain false and misleading statements intended to induce U.S. victims to provide payments to BDK. Despite this knowledge, BDK continues to participate in multiple mass mailing fraud schemes.

128. For example, the solicitation packets purport to come from various financial institutions, learned scholars, and world-renown psychics. BDK knows, however, that these entities do not exist, as it creates them to mask the true source of the direct mailings.

129. BDK also knows the solicitation packets are fraudulent because they direct victims to send payment in exchange for a large check or prizes worth tens of thousands of dollars or more. BDK knows that nearly identical solicitation packets are mass-mailed to thousands of potential victims in each of its mailing campaigns, and BDK does not pay the many thousands of U.S. respondents the promised awards.

130. Many of the solicitation packets also offer for sale purportedly "exclusive" and "guaranteed" methods for excelling at games of chance or otherwise earning large amounts of

money. BDK knows that the methods are neither exclusive nor infallible, but rather are ineffectual pamphlets peddled to its thousands of victims.

131. Similarly, many of the solicitation packets offer for sale purportedly rare talismans imbued with supernatural powers. BDK knows that there are no such talismans, and if any item is provided to its victims, it is a useless mass-produced trinket of nominal value.

132. BDK also knows how many of its victims are affected by its fraudulent schemes because victims frequently send handwritten letters to its caging services. The letters demonstrate that elderly and vulnerable victims believe the false claims made in the direct mailings, and often express gratitude and joy over the money they believe they have won. At least two of BDK's caging services scanned samples of these letters and provided them to BDK.

133. BDK also knows that victims are defrauded by its fraudulent schemes because victims frequently send complaints, saying that they sent in the requested money but never received the promised awards, or that the items they received were worthless. At least two of BDK's caging services scanned samples of these letters and provided them to BDK.

134. BDK also knows that the solicitation packets are fraudulent because USPIS has issued nearly 150 DONs in response to BDK's fraudulent schemes. Each DON made clear that the solicitations were unlawful. At least two of BDK's caging services scanned samples of the DONs and forwarded copies to BDK management, including defendants Seguy, Elchlepp and Jouffroy. *See* Exhibit 20 attached hereto.

135. For example, on April 5, 2016, the office manager of one of BDK's Dutch caging services emailed Jouffroy to inform her that there was a "Postal Inspection" and that the caging service "received a letter from the United States Postal Inspection Service Washington, DC." The email attached a copy of the DON received regarding BDK's solicitation. *See id.*

B. *Macromark*

136. Macromark knows that the lists it brokers for BDK and other direct mailers will be used in furtherance of direct mail-fraud schemes.

137. Macromark knows BDK's mass-produced solicitation packets contain many false and misleading statements. For example, it knows that the solicitation packets indicate that the addressee is the winner of a grand prize and/or is entitled to purchase exclusive money-making methods or unique supernatural items. Macromark also knows, however, that the individual addressees are not grand prize winners or entitled to receive unique methods or talismans because Macromark requires that its clients, including BDK, provide sample direct mail pieces in order to allow the use of the lists Macromark brokers.

138. Macromark knows the specific content of the solicitations that BDK "personalizes" and addresses using information from leads lists that Macromark rents to BDK from third-party list owners, because it:

- requires BDK to identify the solicitation it intends to use with each third-party lead list BDK rents;
- obtains samples of those BDK solicitations for distribution to the third-party list owners who review and approve or disapprove of BDK's use of the solicitation with their lead lists; and
- reviews correspondence from third-party list owners who often comment on the legality of BDK's sample mailing pieces when approving or disapproving the rental of their lead lists.

139. The sample solicitations maintained by Macromark include the text of the solicitation, often with the recipient's name indicated as a mail merge field, *i.e.*, "<<FIRST NAME LAST NAME>>", or addressed to "<<Dear FIRST NAME>>." The mail merge fields in these sample mailings indicate that the solicitations will be mass mailed.

140. Macromark then provides the lists containing names and addresses of thousands of potential U.S. victims who they know will receive nearly identical copies of the sample direct mailings to BDK and its other direct mailer clients.

141. Macromark maintains numerous template BDK solicitations with explicitly false statements, including, for example, that the solicitation was directed to a specific individual, rather than thousands of potential victims via a mass mailing. Thus, Macromark employees had knowledge that BDK mailings included false statements.

142. Despite this knowledge, Macromark continued to play a role in the brokering of mailing lists for use with BDK's fraudulent mass-mailings. Specifically, the evidence shows that Macromark repeatedly rented lists to BDK for mass-mail solicitations purporting to come from "A.P.M.E.," "Baroness de Rothman," "Buchmüller & Co.," "Connor & Smith Transfer Agency," "Dr. Henderson," "Dr. Kramer," "European Winners Club," "Finkelstein & Partner," "Harrison Institute," "Magister Davids," "Maître Paul Ritter," "Maria Winter," "Marie de Fortune," "Michael M.," "Michelle Devon," "Sophros I," and "Winners Club," among others.

143. Macromark has rented or brokered a list for a BDK solicitation over 100 times since 2013, each for mailing lists containing approximately 2,000 to 14,500 names and addresses. The addresses brokered for BDK solicitations cumulatively account for more than 735,000 mailing addresses. Each one of these addresses is a potential victim.

144. Macromark also knows that the BDK-owned lists it markets to third-parties are created using information obtained from the victims of BDK's fraudulent mass mailings because it receives copies of the BDK solicitations whose victim responses are used to create BDK's in-house lead lists. Macromark requests these solicitations because it:

- reviews the solicitations to better understand how BDK's lists were created so that it can use that knowledge to better market BDK's leads lists to interested direct mailers;

- makes copies of BDK's solicitations available to third-party direct mailers interested in renting BDK's sweepstakes or astrology lead lists; and
- frequently markets BDK-owned lists by making reference to known fraudulent solicitations, including "Angelique & Angelina," "Dr. Grant US" and "Ritter Astrology Buyers."

Macromark's collection of sample BDK solicitations for use with third-party rentals of BDK-owned lists further demonstrates that Macromark knew the content of solicitations used to create BDK's lists.

145. Despite this knowledge, Macromark documents show that, from at least January 1, 2013 to March 2015, Macromark repeatedly profited from the BDK-owned lists by renting them out to third parties for use with mass-mail solicitations with titles matching fraudulent solicitations seized by USPS. There were over 100 such transactions.

146. Macromark orders of BDK-owned lists for use with solicitations with names that are identical or nearly identical to those of recent fraudulent solicitations add up to 1,218,000 mailing addresses of potential victims.

147. The investigation also uncovered evidence that Macromark (including Mary Ellen Meyer) received multiple warnings dating back at least to 2010 that BDK's solicitations included false statements, were fraudulent, and violated U.S. law. For example:

- On April 1, 2010, Macromark Client Services Manager Mary Ellen Meyer emailed an order to rent a BDK list to a business associate, C.M. After requesting and receiving the sample BDK text for the rental, C.M. replied: "Do they ever mail any other offers than one[s] that promise that they will send a check to the person for a large amount? It really is a problem legally to give names to these kinds of offers, *do they realize that this is actually considered mail fraud?* I am really sorry but there is a difference between promising an amount and promising a check with an amount and including a copy of the check with the name of the recipient. I would love to work with them and do these reciprocal rentals but I am not about to have an investigation to give us our names." See Exhibit 21 attached hereto (emphasis added).

- On January 21, 2011, Meyer emailed an order to rent a list to C.M. and attached the sample solicitation text. C.M. replied: "Sorry Mary Ellen, but this is as most offers from BDK that we refuse a Sweeps offer with a check promised and due to each prospect. So we have to refuse as it raises very serious legal concerns here in the US." *See* Exhibit 22 attached hereto.
- On May 31, 2012, Meyer emailed a BDK offer to C.M. for approval and attached a sample solicitation text. C.M. turned down the offer, writing: "Definitely not, the very first page says: 'Once we receive you Acceptance Card, I GUARANTEE YOU WILL BE SENT A CHEQUE in the amount of \$ 30,000.00 made out in your name. . . .' We actually had to refuse a mailing written for us in that style. Clients who mail this kind offers [sic] are not based in the US and payments are sent to another country. A legal nightmare for us in the US if one person only complains to an attorney general. If we gave that name to BDK, BDK would be nowhere to be found and we would be held responsible. Not worth it!" *See* Exhibit 23 attached hereto.
- In a June 12-13, 2012 email chain, Meyer sent another BDK offer, which C.M. rejected, stating: "My mailer is really turned off as he finds BDKs offers 'creepy' to translate what he said. Too farfetched and a big departure from astrology. Because of their presence in the US, [mailer] does not want to run any legal risk by association." C.M. followed up minutes later to add "I was supposed to work with BDK in the US and I actually never follow through with their request because I got freaked out by their mailings. Some of their house mailings are very 'out there.'" *See id.*

148. Macromark therefore knows of the fraudulent nature of BDK's solicitations.

Despite this knowledge, Macromark continues to participate in the fraudulent schemes by brokering lists on BDK's behalf.

C. MOSI

149. MOSI (including Dharti Desai and Mehul Desai) also knows that the solicitation packets that it prints and distributes for BDK are false and misleading. MOSI knows BDK's mass-produced solicitation packets indicate that the addressee is the winner of a grand prize and/or entitled to purchase exclusive money-making methods or unique supernatural items. MOSI also knows, however, that the individual addressees are not grand prize winners or entitled to receive unique methods or talismans because MOSI "personalizes" and addresses thousands of copies of each solicitation packet using lead lists containing thousands of victim names and

addresses. MOSI then distributes the thousands of nearly identical solicitations to victims in the United States and abroad.

150. Specifically, MOSI knows the content of each fraudulent BDK solicitation packet that it prints and distributes because, in the regular course of business, it:

- Inspects the contents of the template solicitation packets it receives from its clients during its “pre-press” process, with its graphic designers often making “samples on dummies for their own reference to ensure everything is in synch and that the design’s final output is achievable.” *See* Mail Order Solutions India Pvt. Ltd., *Corporate Film: ISO 27001 Certified Print Management Company*, YOUTUBE (Dec. 22, 2012), <https://www.youtube.com/watch?v=oqipmALt0IM> (“MOSI Video”)
- Always transmits copies of its solicitation packet proofs to its U.S.-based mailing houses for comments on whether the mailing house believes the mailings are aggressive or illegal.
- Prints final proofs of each direct mailing for customer review, requiring return of a proof marked “O.K.” or “Revised Proof” with changes noted prior to initiating its print run. *See* Exhibit 13.
- Digitally prints thousands of copies of each direct mailing in its own facilities, using MOSI equipment. *See* MOSI Video.
- Samples and inspects printed solicitation packets during each print run to assure conformity with the original proof. *See* MOSI Video
- Includes its senior leadership, including Dharti Desai and/or Mehul Desai, on many of the communications regarding BDK customer relation issues, BDK’s printing and distribution orders, and other entities’ fraudulent mass-mailing campaigns.

151. MOSI therefore know of the fraudulent nature of BDK’s solicitations. Despite this knowledge, MOSI continues to participate in the fraudulent schemes by printing and distributing millions of BDK solicitation packets to U.S. victims.

**DEFENDANTS’ EFFORTS TO MASK THE ORIGIN OF
THE FRADULENT MAILINGS**

152. BDK neither sends solicitation packets to victims nor receives victim responses directly. Instead it works with MOSI to orchestrate an elaborate, multi-layered distribution

process designed to hide the true origin of its fraudulent solicitations from its victims and law enforcement agencies.

153. For instance, BDK and MOSI use multiple indirect channels to route mailings into the United States. Specifically, they send millions of solicitation packets as massive air cargo shipments for delivery to a network of domestic mailing houses who then deposit the solicitations into the U.S. mail. BDK and MOSI mail millions more solicitation packets through Swiss Post, Royal Mail, Fiji and Hungarian post into the United States. *See, e.g.*, Exhibit 13. While BDK and MOSI's use of multiple distribution paths complicates logistics and increases costs, it diversifies the U.S. entry points for their solicitation packets, making detection by USPS more difficult.

154. BDK and MOSI further mask the source of their mailings by engaging the services of multiple domestic mailing houses to handle their fraudulent solicitation packets, changing mailing houses at the first sign of discovery by U.S. law enforcement agencies.

155. For example, from April 2013 to December 2014, Defendants worked with two domestic mailing houses located in Chicago, Illinois and Farmingdale, New York to insert their solicitation packets into the U.S. mail.

156. During that time, BDK and MOSI regularly made large shipments of solicitation packets (often weighing in excess of a ton) as air freight from Mumbai, India to JFK. These shipments were then picked up at the JFK Air Cargo Center by third-party trucking companies who transported them to an intermediate holding facility in Queens, New York, prior to the final leg of their journey to the New York mailing house's facilities in Farmingdale, New York. Despite arranging final delivery of the cargo to the New York mailing house, the bills of lading

provided to customs identified the third-party trucking company, not the mailing house, as the consignee.

157. In an effort to further obfuscate the source of the mailings, the New York mailing house mailed the vast majority the BDK/MOSI solicitation packets using the Chicago mailing house's bulk mailing permit number, #534. On some occasions, however, the New York mailing house used its own bulk mailing permit, #452.

158. The Federal Trade Commission contacted the New York mailing house on December 5, 2014, inquiring as to the mailing house's relationship with any direct mailers using caging services with return address in the Netherlands (the location of BDK's multiple caging services).

159. BDK and MOSI immediately terminated use of the New York and Chicago mailings houses in December 2014, transitioning all air cargo shipments to a Maryland-based mailing house by January 2015. The Maryland-based mailing house used a Cleveland-based mailing house's bulk mailing permit number #4066 to mail the solicitations. *See Exhibit 24* attached hereto. BDK and MOSI also changed the destination airport from JFK to Dulles International Airport in Virginia by August 2015.

160. USPIIS seized a large shipment of MOSI-printed BDK solicitations during the 2016 Dulles Seizure, including tens of thousands of solicitation packets each from the fictitious "Harrison Institute," "Dr. Kramer," and "Marie de Fortune." Thousands of the solicitation packets were addressed to potential victims living in the Eastern District of New York. The solicitations were bundled in multiple opaque "boxes" that provided no information about their contents other than the indication that they contained "printed materials."

161. BDK and MOSI suspended air shipments into the United States following the 2016 Dulles Seizure. Instead, BDK and MOSI began mailing solicitation packets addressed to U.S. recipients exclusively through the Swiss Post via Singapore. *See, e.g.*, Exhibit 25 attached hereto.

162. BDK and MOSI resumed air cargo shipments destined for the Maryland-based mailing house on or about May 21, 2016, and changed the arrival airport from Dulles International Airport back to JFK.

163. BDK and MOSI have also actively worked to keep the identity of their caging services hidden from law enforcement agencies.

164. For example, in February 2013, Dharti Desai wrote to the Dutch caging service Trends, requesting, among other things, that BDK's caging services be handled by a new Trends' affiliate corporation "no one knows about." Desai requested the change because she was concerned by the "dangers" posed by Trends' increasing visibility as a caging service that "the whole world knows about." *See* Exhibit 26 attached hereto.

165. BDK also actively worked to avoid scrutiny by law enforcement. For example, in April 2016, the manager of one of BDK's caging services wrote Jouffroy that "[t]oday we received a letter from the United States Postal Inspection Service," and advised that "[y]ou never hear anything from the Postal Inspection if you don't give a reaction. Only when you receive a lot of letters in the same P.O. box it's better to take another P.O. box" Jouffroy responded, noting "[t]his is actually the second you forward me, so we're still safe, for the moment ;-)" and adding defendant Elchlepp to the email chain. *See* Exhibit 27 attached hereto.

HARM TO VICTIMS

166. Victims making payments in response to mass mailing schemes described above send their payments via mail through the Eastern District of New York to various P.O. boxes in foreign countries. USPS has seized thousands of pieces of mail including correspondence and payments at John F. Kennedy Airport, which is within the Eastern District of New York.

167. Victims, especially elderly and vulnerable victims, suffer financial losses from the mail-fraud schemes that Defendants perpetrate. Based on the evidence gathered in the investigation, including data published by BDK and Macromark regarding the numbers of U.S. victims who respond to BDK solicitations on a monthly/yearly basis, I estimate that, in any given month, victims across the United States are likely to make over 100,000 payments in response to Defendants' mass mailing schemes. *See, e.g.*, Exhibit 12. In other words, U.S. victims make over 1.2 million payments in response to Defendants' mass mailing schemes each year. The majority of the solicitations request payment of \$50 to \$55. I estimate an average of over \$5 million in monthly payments from U.S. victims, totaling over \$60 million per year.

168. Many of the victims send payments repeatedly in response to each new solicitation; these victims believe that if they comply with the fee requests they will receive a life-changing payout.

169. Of these victims, I have identified numerous victims who reside in the Eastern District of New York. I have also identified thousands of additional recipients who are targeted by the Defendants' fraudulent mass mailing schemes at mailing addresses located in the Eastern District of New York.

170. The investigation has also revealed that victims frequently send handwritten notes with their responses. The notes reveal that the victims are generally elderly people on fixed

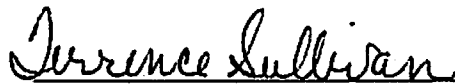
incomes who are desperate for financial assistance. In some letters, victims cite medical problems or the size of their Social Security benefits to explain why they are enclosing a payment that is less than the requested amount. The letters also demonstrate that, at least initially, the victims believe the false claims in the solicitations, for example that they have won a lottery or that they will receive a guaranteed money-making method or supernatural item. *See* Exhibit 6.

171. Other notes include complaints regarding the fraudulent mass-mailing scams perpetrated by BDK, Macromark, and/or MOSI, frequently stating that the victim did not receive the money or items they were promised, despite having sent the required fees, often numerous times. *See* Exhibit 6.

172. USPS has interviewed numerous victims of the fraud schemes described above as part of the investigation. One such victim, D.M., is an 81-year-old man who lives in Kansas. During the spring of 2016, D.M sent \$55 checks on at least five occasions to P.O. boxes linked to fraudulent BDK mass-mailing schemes in response to solicitations that purported to come from “Finkelstein & Partner,” “Winner Club,” “Dr. Kramer,” “Maître Pascal,” and Buchmüller & Co.” D.M. believed the representations in the solicitations that he had won various cash prizes. The solicitations stated that, in order to receive the prizes, he was required to send a \$55 payment. D.M. never received the promised awards, but he continued to receive many solicitations with return envelopes addressed to P.O. boxes linked to BDK schemes. *See* Exhibit 28 attached hereto.

173. The Consumer Sentinel database operated by the Federal Trade Commission contains at least 650 additional complaints regarding BDK’s mail-fraud schemes. The complaints generally pertain to false representations made in BDK’s printed solicitations.

Pursuant to 28 U.S.C. § 1746, I hereby declare under penalty of perjury that the forgoing is true and correct to the best of my knowledge and belief. Executed on September 21, 2016, in Brooklyn, New York.


TERRENCE C. SULLIVAN
Postal Inspector
United States Postal Inspection Service

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APPENDIX B
EXHIBITS TO THE DECLARATION OF TERRENCE C. SULLIVAN

EXHIBIT NO.	DESCRIPTION
1	Email chain between Aurora Jouffroy and Silvia van Os (KSB/Trends) copying Chantal Seguy and Marion Elchlepp <i>September 2015 – November 2015</i>
2	Mail Order Solutions India, Ltd. Corporate Brochure <i>Downloaded September 2016</i>
3	Invoices from Mail Order Solutions India, Ltd. to Direct Mail Management <i>March 2016</i>
4	“Dr. Grant,” “Dr. Kramer,” “Harrison Institute,” and “Marie de Fortune” BDK solicitation packets seized during the 2016 Dulles Seizure <i>March 2016</i>
5	“Lady of Hearts” Nature Plus Ltd. solicitation packet seized during the 2016 Dulles Seizure <i>March 2016</i>
6	Victim letters to “Baroness de Rothman,” “A.P.M.E.,” “European Winners Club,” “Harrison Institute,” “Maître Pascal,” “Marie de Fortune,” and “Professional Promotion” seized during the New York ISC Seizure <i>May 2016</i>
7	Exemplar tray of sealed “Marie de Fortune” BDK solicitation packets seized during the 2016 Dulles Seizure <i>March 2016</i>
8	List of BDK schemes and payment processor information <i>January 30, 2016</i>
9	BDK “disclaimers” printed on the inside of a solicitation’s mailing envelope <i>2016</i>
10	“Marie de Fortune” solicitation packet “disclaimer” <i>2016</i>
11	“Dr. Kramer” solicitation packet “disclaimers” <i>2016</i>
12	BDK lead list “datacards” published by Macromark <i>August 24, 2016</i>
13	Mail Order Solutions India, Ltd. Printing Production & Personalization Quote <i>2014</i>
14	Caging service (KSB B.V.) invoices to Only Three and Mailing Force <i>2013, 2016</i>
15	Photograph of victim responses in caging service’s (KSB B.V.) dumpster <i>June 2016</i>
16	Cooperation agreement between caging service (Trends) and Mailing Force <i>December 31, 2015</i>
17	Exemplar BDK Prize-Transfer Solicitation Packets <i>2016</i>

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EXHIBIT NO.	DESCRIPTION
18	Exemplar BDK Wealth-Building Solicitation Packets <i>2016</i>
19	Exemplar BDK Psychic Solicitation Packets <i>2016</i>
20	Email chain between Sylvia Van Os (KSB/Trends) to Chantal Seguy and Aurora Jouffroy attaching USPIS DONs and with subject "Postal Police" <i>January 2016</i>
21	Email chain between C.M. and Mary Ellen Meyer with subject "OFFER TO STRONG DENIED . . . Mailer: BDK" <i>April 2010</i>
22	Email chain between C.M. and Mary Ellen Meyer with subject "DENIED BDK/ANGELIC CELESTIAL HEAL \$45 – Isorelle" <i>January 2011</i>
23	Email chain between C.M. and Mary Ellen Meyer with subject "DENIED OFFER MME SOLEIL/BDK/SMCS" <i>June 2012</i>
24	Exemplar BDK solicitation packets with Cleveland mailing permit <i>2016</i>
25	Exemplar BDK solicitation packets with Swiss Post postage <i>2016</i>
26	Email chain between Dharti Desai and Silvia van Os (KSB/Trends) <i>February 2013</i>
27	Email chain between Aurora Jouffroy and Silvia van Os (KSB/Trends) with subject "Postal Inspection" <i>April 2016</i>
28	Declaration of Dale McVey with attached Exhibits A through I <i>September 6, 2016</i>

EXHIBITS CITED FROM THE UNITED STATES' COMPLAINT
(Not Attached)

EXHIBIT NO.	DESCRIPTION
A	Exemplar 2016 "Harrison Institute" BDK solicitation packet
B	Exemplar 2016 "Harrison Institute" Determination of Non-Mailability
C	Exemplar 2016 "Dr. Grant" BDK solicitation packet
D	Exemplar 2015-2016 "Dr. Grant" Determinations of Non-Mailability
E	Exemplar 2016 "Finkelstein & Partner" BDK solicitation packet
F	Exemplar 2016 "Marie de Fortune" BDK solicitation packet